

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Balance Sheet**  
**As of 5/31/2005**

6/27/2005

	As of <u>5-31-05</u>	As of <u>6-30-04</u>
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 595,166,921	\$ 551,572,082
INTERNATIONAL EQUITIES	389,202,892	349,409,895
DOMESTIC FIXED INCOME	199,382,065	182,967,765
INTERNATIONAL FIXED INCOME	71,124,834	62,533,112
REAL ESTATE	136,173,589	108,794,052
VENTURE CAPITAL	65,410,713	60,138,622
INVESTED CASH (NOTE 1)	<u>23,633,973</u>	<u>39,971,282</u>
 TOTAL INVESTMENTS	 1,480,094,987	 1,355,386,810
 <b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	7,640,069	6,145,079
CONTRIBUTIONS RECEIVABLE	8,115,161	6,354,427
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>256</u>
 TOTAL RECEIVABLES	 15,755,230	 12,499,762
 <b>OTHER ASSETS</b>		
OPERATING CASH (NOTE 2)	8,572,810	8,378,563
DUE FROM OTHER AGENCIES (NOTE 3)	<u>30,298</u>	<u>0</u>
 TOTAL ASSETS	 <u><u>\$ 1,504,453,325</u></u>	 <u><u>\$ 1,376,265,135</u></u>
 <b>LIABILITIES:</b>		
ACCOUNTS PAYABLE	1,198,117	1,198,117
ACCRUED EXPENSES	182,908	253,408
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>133,933</u>
 TOTAL LIABILITIES	 1,381,025	 1,585,458
 <b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,374,679,677	1,175,248,478
CASH IN DURING YEAR (NOTE 5)	118,403,000	130,189,850
CASH OUT DURING YEAR (NOTE 6)	118,403,000	130,189,850
NET INCREASE (DECREASE)	<u>128,392,623</u>	<u>199,431,199</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,503,072,300</u>	 <u>1,374,679,677</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 1,504,453,325</u></u>	 <u><u>\$ 1,376,265,135</u></u>

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Profit and Loss Statement**  
**For the Month Ended 5/31/2005**

6/27/2005

	Month Ended <u>5-31-05</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,262,048	\$ 36,283,330
SECURITIES LENDING INCOME	263,980	1,569,076
	<u>3,526,028</u>	<u>37,852,406</u>
GAIN ON SALE OF INVESTMENTS	9,879,605	156,676,320
LOSS ON SALE OF INVESTMENTS	<u>5,058,105</u>	<u>84,994,791</u>
NET GAINS (LOSSES) INVESTMENTS	4,821,500	71,681,529
INVESTMENT EXPENSES	1,100,659	5,287,751
SECURITIES LENDING EXPENSES	211,663	1,294,453
SIB ADMINISTRATIVE EXPENSES	<u>10,354</u>	<u>112,044</u>
NET INVESTMENT INCOME	7,024,852	102,839,687
NET APPREC (DEPREC) MARKET VALUE	26,077,509	51,619,038
MISCELLANEOUS INCOME/(EXPENSE)	<u>2,262</u>	<u>(611,832)</u>
TOTAL INVESTMENT INCOME	33,104,623	153,846,893
CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	8,750,265	53,343,872
PURCHASED SERVICE CREDIT (NOTE 8)	333,406	2,518,536
PENALTY & INTEREST (NOTE 9)	<u>269</u>	<u>2,471</u>
TOTAL ADDITIONS	<u>42,188,563</u>	<u>209,711,772</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	6,917,005	76,801,491
PARTIAL LUMP SUM BENEFITS PAID	0	141,053
REFUNDS TO MEMBER (NOTE 11)	<u>142,811</u>	<u>2,568,121</u>
TOTAL BENEFITS PAID	7,059,816	79,510,665
ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	117,794	1,808,484
MISCELLANEOUS EXPENSES	<u>0</u>	<u>0</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>117,794</u>	<u>1,808,484</u>
TOTAL DEDUCTIONS	<u>7,177,610</u>	<u>81,319,149</u>
NET INCREASE (DECREASE)	<u>\$ 35,010,953</u>	<u>\$ 128,392,623</u>

**TEACHERS' FUND FOR RETIREMENT**  
**Notes To Financial Statements**  
**May 31, 2005**

6/27/2005

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1            INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2            OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3            DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4            DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5            CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6            CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7            CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8            PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

**TEACHERS' FUND FOR RETIREMENT**  
**Notes to Financial Statements**  
**5/31/2005**

6/27/2005

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.